

FISCAL IMPACT STATEMENT ON BILL NO. **S.160**

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TO:	The Honorable John E. Courson, Chairman, Senate Education Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Bryce Wilson, R.J. Stein		
DATE:	February 21, 2007	SBD:	2007142

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AUTHOR:	Senator Leventis	PRIMARY CODE CITE:	59-53-75
SUBJECT:	University of South Carolina (USC)-Sumter		

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ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

See Below

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**BILL SUMMARY:**

This Bill would amend the code of laws to allow USC-Sumter to offer four-year degrees. This legislation is contingent upon the local governments in USC-Sumter's service area providing additional funding for USC-Sumter of \$250,000 each year.

**EXPLANATION OF IMPACT:**

University of South Carolina & the Commission on Higher Education

Enactment would increase annual operating expenditures at USC- Sumter by \$1,947,904. This cost includes \$1,225,683 for twelve additional faculty and associated instructional support. Other operating expenses include academic support of \$101,772, student services of \$230,868, and administration of \$389,581. This estimate does not include any additional start-up or capital costs. Additional costs would be offset by \$250,000 to be provided by area local governments and an estimated \$106,128 in additional tuition and fee revenue would be generated if the rates comparable to USC-Beaufort's were adopted. The balance of \$1,591,776 (\$1,947,904 - \$356,128) could be covered with additional State General Funds and/or a further adjustment in the school's tuition and fee schedule so as to generate additional other funds revenue of a like amount. Therefore, the impact on the General Fund of the State is at the General Assembly's discretion.

Department of Commerce

There is no impact on the Department of Commerce or on the State General Fund. The Bill amends Section 11-41-30(2) of the Code of Laws relating to the issuance of General Obligation Economic Development bonds. The Bill expands the definition of economic development projects to include infrastructure related to the establishment of a 4-year degree program at USC-Sumter. Any G.O. bonds issued under this authority would still have to fall within the debt limit already established by the General Assembly.

**LOCAL GOVERNMENT IMPACT:**

See above.

Approved by:



Don Addy  
Assistant Director, Office of State Budget